

**PROPERTY ASSESSMENT APPEAL BOARD**  
**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER**

PAAB Docket No. 2019-077-10114R

Parcel No. 241/00523-091-225

**Marcy Loukili,**  
Appellant,

vs.

**Polk County Board of Review,**  
Appellee.

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**Introduction**

This appeal came on for consideration before the Property Assessment Appeal Board (PAAB) on March 9, 2020. Marcy Loukili was self-represented. Assistant Polk County Attorney Dave Hibbard represented the Board of Review.

Marcy and Tarik Loukili own a residential property located at 9205 Timberwood Drive, Johnston, Iowa. Its January 1, 2019, assessment was set at \$263,900, allocated as \$61,600 in land value and \$202,300 in dwelling value. (Ex. A).

Loukili petitioned the Board of Review contending the property was inequitably assessed, assessed for more than the value authorized by law, and there was an error in the assessment. Iowa Code §§ 441.37(1)(a)(1, 2 & 4) (2019). (Ex. C). The Board of Review found an error in the assessment, reduced the dwelling value and changed the total assessment to \$261,800. (Ex. B).

Loukili then appealed to PAAB and continues to assert the property is over assessed. § 441.37(1)(a)(2).

## **General Principles of Assessment Law**

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act apply. § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB may consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code R. 701-126.2(2-4). New or additional evidence may be introduced. *Id.* PAAB considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005).

## **Findings of Fact**

The subject property is a two-story home built in 1999. It has 1790 square feet of living area, a basement with 800 square feet of average-plus-quality finish, an open porch, a deck, and a two-car attached garage. The home is listed in normal condition with a 3-10 Grade (good quality). The site is 0.222 acres. (Ex. A).

Loukili testified she purchased the home in 2013 for \$221,000 and has made no updates to it since that time. She described her kitchen cabinetry as contractor grade, her carpet as original, and her ceilings as having a popcorn texture. She also stated her basement finish area is quite small with only a piece of carpet placed on the floor and is mainly used for storage. Loukili noted her property record card had incorrectly noted 32 lineal feet of brick veneer on her garage.

Amy Rasmussen, Chief Deputy Polk County Assessor, testified the Board of Review corrected the brick veneer to 14 feet and lowered the property's grade from a 3-00 to 3-10. At the same time, however, it added 800 square feet of basement finish and a bathroom fixture. We note the addition of 800 square feet of average-quality basement finish increased the replacement cost new of the subject's assessment by

\$22,080. (Ex. A, Cost Sheet). Cumulatively, however, these changes resulted in a lower assessment. Loukili submitted a four-page comparable market analysis (CMA) prepared by realtor Jason Russell of Realty One Group Impact, West Des Moines. The CMA identifies three sales and an expired listing. Russell's four comparables are summarized below. (Ex. 1).

Comparables	Year Built	Site Size (SF)	Gross Living Area (SF)	Sale Date	Sale Price
SP – 9205 Timberwood	1999	9654	1790	N/A	N/A
1 – 5709 NW 92nd Ct	2000	8125	1682	7/2018	\$237,000
2 – 9109 Ridgeview Dr.	1998	24,394	1728	5/2018	\$226,000
3 – 5729 NW 92nd Ct	1998	9071	1508	4/2019	\$236,000
4 - 8938 Highland Oaks	1997	7754	1656	Off Mkt	\$247,090

Russell did not adjust the sales for differences between them and the subject property. The comparables are located between 0.1 and 0.11 miles from the subject property. Russell provided a limited description of Sales 1, 2, and 3. He did not provide any information about Comparable 4.

Sale 1 is a two-story home and does not appear to have any basement finish. Sale 2 is a split-level home with an unfinished fourth level. Sale 3 is a two-story home and is listed as having a finished basement with new carpet. There is no other information regarding the amount or overall quality of the basement finish compared to the subject property.

Russell does not explain how he arrived at a recommended price for the subject of \$243,500, which is higher than any of the actual sale prices.

Loukili believes she might be able to sell her home for approximately \$240,000, but she competes with newer homes a few blocks away. She submitted three neighboring properties she contends support her claim her home is over assessed. The following table summarizes those comparables. (Exs. 2-4).

Comparables	Year Built	Grade	Site Size (SF)	Gross Living Area (SF)	Assessed value
SP – 9205 Timberwood	1999	3-10	9654	1790	\$261,800
1 – 9245 Timberwood	2000	3-05	14,449	2252	\$262,300
2 – 9213 Timberwood	1999	4+10	8660	1528	\$227,700
3 – 9209 Timberwood	1999	3-05	9817	1801	\$248,400

None of these properties have recently sold and none have any basement finish.

Comparable 1 is the only property with an assessed value higher than the subject. Its improvements and site are larger than the subject and it has a slightly higher grade than the subject. Comparables 2 and 3 are similar in gross living area and site size. Comparable 2 has the lowest grade, which would explain its lower assessment.

The Board of Review did not offer any additional evidence beyond the required exhibits.

### **Analysis & Conclusions of Law**

Loukili contends her property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2).

In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2), the taxpayer must show: 1) the assessment is excessive and 2) the subject property's correct value. *Soifer v. Floyd Cnty. Bd. of Review*, 759 N.W.2d 775, 780 (Iowa 2009) (citation omitted).

There is no presumption the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted). To shift the burden, the taxpayer must “offer[] competent evidence that the market value of the property is different than the market value determined by the assessor.” § 441.21(3). To be competent evidence, it must “comply with the statutory

scheme for property valuation for tax assessment purposes.” *Soifer v. Floyd Cnty. Bd. of Review*, 759 N.W.2d 775, 782 (Iowa 2009) (citations omitted).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property’s fair and reasonable market value. § 441.21(1)(b). Market value essentially is defined as the value established in an arm’s-length sale of the property. *Id.* The sales comparison method is the preferred method for valuing property under Iowa law. *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 398 (Iowa 2009); *Soifer*, 759 N.W.2d at 779; *Heritage Cablevision v. Bd. of Review of Mason City*, 457 N.W.2d 594, 597 (Iowa 1990).

The first step in this process is determining if comparable sales exist. *Soifer*, 759 N.W.2d at 783. “Whether other property is sufficiently similar and its sale sufficiently normal to be considered on the question of value is left to the sound discretion of the trial court.” *Id.* at 782 (citing *Bartlett & Co. Grain Co. v. Bd. of Review of Sioux City*, 253 N.W.2d 86, 88 (Iowa 1977)). Similar does not mean identical and properties may be considered similar even if they possess various points of difference. *Id.* (other citations omitted). “Factors that bear on the competency of evidence of other sales include, with respect to the property, its ‘[s]ize, use, location and character,’ and, with respect to the sale, its nature and timing. *Id.* (other citations omitted). Sale prices must be adjusted “to account for differences between the comparable property and the assessed property to the extent any differences would distort the market value of the assessed property in the absence of such adjustments”. *Id.* (other citations omitted).

In this case, Loukili submitted the Russell CMA that has two 2018 sales, one 2019 sale, and an expired listing. No adjustments were made to any of the sales to arrive at an accurate reflection of the subject’s market value. Moreover, there is minimal information about the characteristics of the comparable properties and without this information we cannot reasonably conclude they are sufficiently comparable to the subject without adjustments. Finally, Russell provided no explanation of the method he

used to arrive at the recommended value. Therefore, we find this evidence insufficient to shift the burden of proof to the Board of Review.

Loukili also submitted three other properties in her neighborhood but none had recently sold. While these properties are close in proximity to the subject, none have basement finish similar to the subject.

We note Loukili's testimony indicated issues related to her home's condition and lack of updates, which may warrant review. Particularly with respect to the amount and quality of basement finish added to her listing. For this reason, it may be in Loukili's interest to contact the Assessor's Office and request another inspection to ensure her improvements are properly listed for future assessments.

Viewing the record as a whole, we find Loukili did not offer sufficiently persuasive evidence to support her claim that the subject property is over assessed.

### **Order**

PAAB HEREBY AFFIRMS the Polk County Board of Review's action.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A.

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order<sup>1</sup> and comply with the requirements of Iowa Code section 441.37B and Chapter 17A (2019).



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Elizabeth Goodman, Board Member



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Karen Oberman, Board Member



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Dennis Loll, Board Member

Copies to:

Marcy Loukili  
9205 Timberwood Dr.  
Johnston, IA 50131

Polk County Board of Review by eFile

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<sup>1</sup> Due to the State Public Health Disaster Emergency caused by the coronavirus (COVID-19), the deadline for filing a judicial review action may be tolled pursuant to orders from the Iowa Supreme Court. Please visit the Iowa Judicial Branch website at <https://www.iowacourts.gov/iowa-courts/supreme-court/orders/> for the most recent Iowa Supreme Court orders.